

**FINAL RECORD**  
**MINERALS MANAGEMENT SERVICE**  
**OUTER CONTINENTAL SHELF POLICY COMMITTEE**  
**OCTOBER 31 – NOVEMBER 1, 2001**  
**SAN DIEGO, CALIFORNIA**

This meeting of the Outer Continental Shelf (OCS) Policy Committee was held in accordance with a Federal Register Notice published October 5, 2001, and followed the attached agenda, with minor changes (Appendix I). This meeting was attended by the members, alternates, and visitors shown in Appendices II and III. A summary annotated with where the discussion can be found in the reformatted and slightly modified transcript follows.

**Wednesday, October 31, 2001**

**Chairman Donald Oltz** (Alabama) called the meeting to order and invited the California representative Brian Baird to speak before he presented his opening remarks. (Page 4)

**Brian Baird** (California) welcomed everyone to California and talked about the interesting sights that the area had to offer. He stated that he would try to get California involved in more Policy Committee meetings in the future. (Page 4)

**Chairman Oltz** (Alabama) welcomed everyone to the meeting. Joked about the prior evenings earthquake and the fact that he was glad that even though it was Halloween no one was wearing a mask. He asked everyone to introduce themselves. (Page 4)

After introductions were made, he stated that there were 23 voting members attending (out of 33 voting members) and that there was a quorum. (Page 6)

He introduced and welcomed the Acting Director of the Minerals Management Service (MMS), Tom Kitsos. (Page 6)

**Tom Kitsos** (MMS) thanked everyone for coming and highlighted several of the latest developments of the MMS and the Department of the Interior (DOI). The August western Gulf sale raised over \$165 million and had the fourth largest number of bids submitted in the last decade. The proposed eastern Gulf sale was an area that had not been offered since 1988. It was reduced from original size to ensure that no leasing would occur directly off nor within 100 miles of Florida's coast. He said that the central Gulf Sale 181 would be held in December. He stated that Lease Sale 182 was the last sale to be held under the current 5-year plan. (Page 6)

The new 5-Year leasing program for 2002 – 2007 contains 20 proposed sales in seven planning areas. It included annual sales in the western and central Gulf of Mexico, and two sales in the eastern Gulf, although reduced in size. Three sales were included for the Beaufort Sea, as well as two each for the Chukchi and Cook Inlet. A new concept would be implemented in Norton Basin (natural gas). He stated that this was the sixth

5-year program since enactment of the amendments to the OCS Lands Act of 1978. One environmental impact statement (EIS) would encompass nine sales with discreet, stand-alone analysis for a typical sale for each of the two planning areas. Scenarios and analyses for each planning area would be detailed as if separate EISs had been prepared. (Page 6)

Production from Northstar (Beaufort Sea) was expected shortly and would be the first oil from Federal waters off Alaska since offshore leasing began in Alaska in 1976. Another first for this project was that the pipeline transporting oil to shore was the first buried subsea pipeline in the Arctic to be used for full-time production. (Page 7)

Mr. Kitsos closed by stating this would be his last meeting as a member of the MMS. He had accepted the position of Executive Director of the Commission on Ocean Policy. (Page 7)

**Carolita Kallaur** (MMS) stated that everyone would miss Tom Kitsos and that he was an ideal choice to provide for the future ocean policy of our nation. (Page 8)

She discussed the Offshore Minerals Management's Electronic Government (E-Gov) Transformation Foundation Study. She explained that it would affect all the stakeholders at the meeting. The Office of Management and Budget had been very supportive of the initiative and MMS was optimistic about getting funding for this effort. E-Gov would be looking at the MMS Offshore business processes. (Page 8)

She stated that MMS was working very closely with industry and the Coast Guard, the Federal Bureau of Investigation, other organizations on trying to make sure that offshore facilities were secure and also that people who worked offshore were safe. There would be a renewed focus on domestic development along with conservation. (Page 8)

### **STATUS REPORT ON COMMITTEE RESOLUTIONS AND REPORTS**

**Chairman Oltz** (Alabama) reminded the Committee members of the matrix of states' activities in the energy field that was done at the last meeting. The Committee might be interested in doing something a little more formal where it would actually look at how the states were reacting and how they were handling the energy situation in their states. (Page 9)

He discussed the Natural Gas Subcommittee resolution and recommendations made at the last meeting. The Secretary of the Interior responded to all 12 of the recommendations. He highlighted recommendation number 6 regarding funding for additional education and outreach regarding the leasing program. The Secretary stated that DOI was interested in working with the Committee on developing education and outreach opportunities. She charged MMS to work with the Committee, possibly as part of future community deliberations to consider specific initiatives. He mentioned that the Secretary stated very clearly in recommendation number 1 that the Administration supported the current withdrawals in congressional moratoria. In view of the nation's

long-term energy needs, if there were affected states and local officials that had an interest in discussing issues concerning energy and environmental balance, which might relate to restricted OCS areas, the Department would be willing to enter into those discussions. She looked forward to the Committee's assistance in facilitating any possible future endeavor. (Page 10)

He informed that Committee that in response to its resolution in support of the United Nations Convention on the Law of the Sea, the Secretary forwarded the advice to the State Department and the Defense Department for consideration of an administration position. In her response to the Committee's resolution coastal impact assistance, the Secretary pointed out that this issue raises policy and fiscal issues, which would need further analysis. She would consider this advice as the Administration formulates a position. (Page 10)

### **5-YEAR OIL AND GAS LEASING PLAN**

**Ralph Ainger** (MMS) provided background on the leasing process for the benefit of those members not familiar with it. He stated that for the 2002 – 2007 Oil and Gas Leasing program the following areas were not considered for leasing: North Aleutian Basin (Alaska); Washington, Oregon, N. California, C. California, S. California (West Coast); N. Atlantic, Mid-Atlantic, S. Atlantic, Straits of Florida (East Coast); and, a large part of the Eastern Gulf of Mexico. The Request for information and comments (all except 100 of the 10,000 were variations of e-mails expressing general opposition to OCS Leasing) were considered and the comparative analysis was prepared. The Draft Proposed Program (DPP) was issued on July 23, 2001. The sixty-day comment period on the DPP closed September 21, 2001. Comments were considered and the Proposed Program and draft EIS were issued October 26, 2001. The 90-day comment period ended in January 2002. The Final Program and the final EIS should be issued in April 2002. The anticipated effective date is July 1, 2002. (Page 12)

A general discussion, mostly on how limited and unbalanced the 5-Year Program was, followed. (Pages 13-15)

### **OIL AND GAS SUPPLY/DEMAND UPDATE**

**Henry Groppe** (Groppe, Long & Littell) shared his views regarding the long-term outlook on world oil supply, demand and price and the same for Northern American natural gas. He painted a picture of very tight oil and gas supplies, which was a great contrast to the last 12 to 14 years. He stated that there would be rising prices to restrain consumption of a declining supply. The imports would rise, putting pressures on what was already a very hard to sustain, long-term trade balance problem. This required doing everything possible to develop as much as we can in terms of total domestic production of both oil and natural gas. The Middle East had become very complicated and would become more so in the future. He concluded, we were now in a very different kind of world, insofar as energy, security and supply and complexities

were concerned, which placed even more emphasis on doing whatever we could to conserve here and to increase our domestic production. (Pages 16-23)

A general discussion of questions and answers followed. (Pages 23-25)

### **NATIONAL ENERGY POLICY**

**Walter Cruickshank** (MMS) talked about the national energy policy and the MMS's actions to implement the President's energy policy. He stated that over the next 20 years, oil consumption was expected to increase by about one-third and natural gas consumption by about one-half. Demand was projected to be nearly 50 percent more than domestic production 20 years hence. On May 17, 2001 the Vice President's energy policy development group issued its report to the President. The report had about 105 recommendations, half of which deal with conservation and environmental protection. The remainder dealt with energy supply, infrastructure and energy security. About 20 of those recommendations required legislation; the rest could be carried out administratively. 11 of the recommendations were directly relevant to MMS. The MMS had about 23 items in our National Energy Policy implementation; he elaborated on many of these items. He talked in detail regarding H.R. 4, Securing America's Future Energy Act. (Pages 25-31)

A short discussion of questions and answers followed. (Page 31)

### **HARD MINERALS UPDATE**

**Larry Schmidt** (New Jersey) highlighted hard mineral activities. He stated, in the last six months MMS conveyed 1.8 million cubic yards of offshore sand to the National Park Service for Assateague Island in Virginia and an additional 100,000 cubic yards of sand to the State of Maryland adjacent to Assateague. Requests were pending from the State of Virginia, the United States (U.S.) Navy, the City of Virginia Beach and, in conjunction, some of the work that was being done in this area by the U.S. Army Corp of Engineers (Virginia Beach, Sanbridge and Dam Neck). The MMS just completed a study/final report entitled Examination of Regional Management Strategies for Federal Offshore Borrow Areas Along the United States East and Gulf of Mexico. The MMS's Environmental Studies Program would soon be funding an environmental investigation on the use of shoals off the State of Maryland. This was going to relate to working in the future with the National Marine Fisheries Service on the question of essential fisheries habitat. The MMS had just finished a monitoring design study, which was a development of protocols on how to monitor long-term cumulative impacts of sand mining. The MMS was starting to gather data on artificial reefs throughout the coastal waters. This represented a potential spatial conflict in terms of sand resources and utilization of the ocean bottom for the reefs. He reported that the lease to Amboy Aggregates had been extended and the company could take up to 12-million cubic yards of construction aggregate material during the next 5 years. (Pages 32-34)

A general discussion followed his report (Page 35)

## **PANEL ON THE RE-EMERGENCE OF LIQUIFIED NATURAL GAS (LNG)**

**Jeffrey Beale** (CH-IV International) presented alternative ways of getting natural gas to the consumer and reactivation of Liquefied Natural Gas (LNG) facilities. He stated that LNG was a very cold liquid, minus 260 degrees Fahrenheit. It could be contained by stainless steel, copper alloys, Teflon – things that actually became stronger the colder they got, not brittle like many substances. The most common use for it in the U. S. was LNG peakshaving facilities. The facilities were typically on the end of gas pipelines. There were about 58 of these facilities operating in the U.S. today. LNG was trucked just like you would liquid nitrogen. California had the most LNG-powered vehicles. LNG was used to supplement the natural gas supply. It did not have a fast enough flame front to explode. He emphasized LNG could be safely transported by ships, barges, and trucks. (Pages 36-44)

**Chris Oynes** (MMS) focused his presentation on specific applications that dealt with turning LNG back into a gas and therefore had jurisdictional issues that were live right now in front of the MMS Gulf of Mexico Region. He stated the process being used was a regasification-type process. The proposal for the Calypso Pipeline Project (ninety miles of pipeline) had been filed with MMS and Federal Energy Regulatory Commission (FERC). This was a project by Enron in which the terminal would be located in Freeport, Bahamas, and would have a pipeline from there to Port Everglades (north of Miami). It could transfer 832 million cubic feet of gas a day. Two major challenges were the deep water and the Gulf Stream current. Another project in the same general area was the AES Corporation's Ocean Express Pipeline also coming from the Bahamas, but from a man-made island called Ocean Cay just south of Freeport and would also transverse into an area close to Port Everglades. As yet, this project had not been filed with MMS. It was anticipated that the proposal would be filed with MMS and FERC the first of year 2002. Their plan was to be completed by 2004. (Pages 44-46)

The floor was opened for questions and discussion on both the LNG and Gas Pipelines. (Pages 46-51)

## **PANEL ON ACCESS FOR OFFSHORE ENERGY DEVELOPMENT**

**Donna Moffitt** (North Carolina) began by providing some history on the Watt 5-year plan and area-wide leasing. She expanded on some of the problems and concerns that the states had in regards to Watt's plan. She presented some background on moratoria and its effects since it was first enacted in 1982. (Pages 52-54)

**Nan Evans** (Oregon) presented the position of the States of Oregon, Washington and California. It was the States' position that these kinds of decisions (on moratoria) need to be made based on sound information, balanced weighing of factors, and they needed to be collaborative. She stated that the State of Oregon was an exporter of hydroelectric power, but not oil and gas. It could be said of the Pacific Northwest that there was a very strong sense of public stewardship, particularly for the oceans. In the State of Oregon, it was understood that all of the beaches (all 365 miles) had public

easement. Another political interest in the Pacific Northwest was that of tribal interest. The tribes were sovereign nations and were treated as such, and this became very important, particularly with natural resource issues. Studies planned over the last 10 or so years had not taken place, mainly because the cost of the studies were not inline with the amount of oil and gas that might be available. They did not have the data necessary to make informed decisions about oil and gas development. Until there was, the States of the Pacific Northwest believed that moratoria should stay in place. She mentioned that in the State of Oregon, there was an ocean management plan that extended across the continental shelf. And, within that, there was a territorial sea management plan that in fact as state policy then reflected this notion of balance, informed decision making, and until the State had more information, it would continue to support the moratoria. (Pages 54-55)

**Bruce Vild** (Rhode Island) reminded the attendees that prior to the moratorium that was put into place lease sales would be challenged on a case-by-case basis in court. That was the case in the North Atlantic. He said that the State of Rhode Island had the unique position of supporting offshore drilling; they were in favor of the first Georges Bank lease sale and those that followed. Moratoria tended to defer political decisions that eventually had to be made. There had not really been any consultation with either his office or with the governor's office on whether the Rhode Island congressional delegation should continue to support moratoria. The political risk had to somehow be factored into the discussions of what could be done to lift the moratorium. Compelling need had to be demonstrated, so that the political risk could be diminished. (Pages 56-57)

**Larry Schmidt** (New Jersey) stated there was no upside for an elected official to support exploration; there were no votes associated with supporting new energy sources off the Coast of New Jersey. However, there was tremendous support for elected officials that promoted the preservation and enhancement of the State's coastal resources. No matter whether or not the Governor or the State agencies/State legislators would even be willing to consider the issue, one had to go through the State's congressional delegation first. The delegation was the one on the front line with Federal activities, had the control of the purse strings. And if there were not a moratorium from the President, the delegation would continue to exercise the annual moratorium through the appropriation process. The issue never really substantively reached the governor's office or the Department of Environmental Protection. Even something like revenue sharing, no matter how much money, would not win the day, in terms of the perception of the citizens as to the potential threat associated with oil and gas activities. After the Arab Oil Embargo of 1973, New Jersey developed a series of rules and policies in its State Coastal Zone Management program. This basically said that rapid development of the OCS oil and gas resources was encouraged as long as it was done in an environmentally accepted manner and protected coastal tourism and fisheries. There were 32 wells drilled off of the coast in the 1970's and 1980's. The anticipated resources did not materialize. In the 1990's New Jersey began to get serious about energy conservation and alternative sources of energy rather than offshore oil and gas exploration. (Pages 57-59)

**Donna Moffitt** (North Carolina) reminded the Committee members that the State of North Carolina was divided into both the Mid- and South Atlantic planning areas. The State had been affected by what goes on in both those regions. She said that four lease sales were held in the South Atlantic from 1978 to 1983. The 21 blocks of the Manteo exploration unit off the coast of North Carolina were leased in sales that were held in 1981 and 1983. Manteo had been the most visible activity to date. The South Atlantic area had been under moratoria since 1990. The Outer Banks Protection Act prohibited the Secretary from conducting a lease sale, issuing any new lease, approving any exploration plan, approving any development and production plan, approving any permit to drill or permitting any drilling offshore North Carolina. This Act was considered a breach of contract and leaseholders were reimbursed. As of now, there were no existing leases off the coast of North Carolina. As with the other states there was no upside to a governor supporting oil and gas activities off North Carolina. She concluded, the State was working under moratoria until 2012. She did not see the Governor's position changing, unless the world situation changed. (Pages 59-60)

A general discussion of moratoria and other related issues followed. (Pages 60-66)

### **PANEL ON ENERGY RELATED USES OF THE OCS**

**J. Keith Couvillion** (ChevronTexaco) discussed a project that Texaco had been working on for about 18 months. The project was a LNG regasification terminal located 40-miles offshore. There was a great supply of natural gas in different parts of the world. The LNG facilities were a way of getting that supply to the users. The natural gas would be converted to a form that could be transported and then regasified. There were only four existing facilities. Texaco wanted to use or expand the current infrastructure that was already in the Gulf of Mexico. The structure would be 40 miles offshore where tankers could offload the LNG. It would then be piped to the existing infrastructure. The two types of structures being considered at this time were a floating facility or a gravity-based structure. The project anticipated the need to build 8 to 12 special domed tankers. He mentioned that Texaco was looking at the year 2005 timeframe and about \$3 to \$4 billion for completion. (Pages 66-70)

**Chris Oynes** (MMS) began by stating that there were more and more projects that in effect, had energy moving through the OCS. These were raising different legislative and jurisdictional questions as to how they would be regulated and whether there were adequate regulatory authorities in existence. He discussed four projects/proposals. The Freeport-McMoRan's Waste Injection Project, a proposal for a compressed gas facility, a deep offshore oil port off Texas, and offshore supply bases. An environmental assessment was currently underway for the Freeport-McMoRan Project. The Bulk Offshore Oil Transfer System (BOOT) was a proposal in the Galveston area by a group formed out of Unocal, Union Oil Company of California, and would be 70 miles offshore. Oil would be offloaded from tankers. It would be licensed by the Department of Transportation under the Deep Water Ports Act. An EIS would have to be completed. He stated, the compressed gas transportation technology was developed a number of

years ago, and was proven technology. But, it had not been commercially applied for many years. This method would be used to bring compressed gas from overseas. He stated, the reason for a centralized facility or offshore supply base was that it does not make good economic sense to keep supplying everything needed for offshore drilling activities from onshore facilities. There were increasing proposals for offshore support facilities (helipads, medical facilities, hospitals, drilling supplies, etc.). The main question all these proposals posed was who would have jurisdiction to deal with all the kinds of issues addressed in these kinds of facilities. (Pages 70-72)

A brief discussion followed. (Pages 72-73)

### **RESOLUTION FOR CONSIDERATION**

**George Ahmaogak** (Local Government) presented the resolution on impact assistance for local communities and explained that it had two purposes. He elaborated on concerns of the North Slope Borough. The first purpose was to clarify that certain of the recommendations from the Natural Gas Subcommittee were applicable to OCS oil issues, as well as OCS natural gas issues. The second purpose was to seek support from the OCS Policy Committee in making U.S. Department of the Interior funding available (through grants) until Congress could get together on the Conservation and Reinvestment Act. (Pages 73-74)

### **PUBLIC COMMENT**

**Maggie Ahmaogak** (Alaska Eskimo Whaling Commission) stated that the AEWC was a non-profit organization comprised of 10 coastal villages. She spoke on the need to address the mitigation of impacts to local communities affected by offshore oil and gas activities. The resolution presented to the Committee sought to clarify that certain of the recommendations from the Natural Gas Subcommittee were applicable to OCS oil issues, as well as natural gas. The resolution further clarified that the DOI was responsible for impact mitigation for local communities in its oil development activities off the OCS.

She asked the Committee's support in passing the resolution to make sure that the North Slope Borough people saw some mitigation of the risks they bore for continued oil activities permitted by MMS. (Page 75)

**Chairman Oltz** recessed the meeting.

A list of material that was distributed at the meeting can be found in Appendix IV. A list of acronyms/abbreviations that were referenced in the transcripts for October 31, 2001, can be found in Appendix V.



**Thursday, November 1, 2001**

**Chairman Donald Oltz** (Alabama) asked members to think about items for the next meeting's agenda, where the Committee should be headed in the future, and how the Committee should be chartered. He suggested that the next meeting be held around the Baltimore area sometime in May 2002. (Page 79)

### **CONGRESSIONAL/LEGISLATIVE UPDATE**

**Jill Martin** (MMS) informed the Committee of two interesting events that transformed the 107<sup>th</sup> Congress. The first being that in May 2001 the balance of power shifted from Republican to Democratic with the change of party by Senator Jeffords (Vermont) from Republican to Independent. She expanded on the affect of this on various legislation, agendas, etc.

The second event she reported was that of September 11, 2001 and the aftermath. She also talked about the affects that the Anthrax threat had on Capitol Hill and on how Capitol Hill performed during that time period and how the focus shifted from energy and other issues to counter-terrorism, homeland security and economic recovery.

What was really important to Congress now was getting all 13 appropriation bills conferenced and passed and getting an economic stimulus package through. Energy issues would not be taken up until next session. The Democrats made it clear that there was not going to be an Arctic National Wildlife Refuge (ANWR) provision in any bill that they put together. She stated, ANWR was probably what killed energy legislation for this year.

She stated that moratoria, which had been in affect over the last few years, had been rolled over again. She also provided some background on impact assistance. (Pages 79-83)

### **MMS REGIONAL UPDATES**

**John Goll** (MMS) provided an overview on some of the activities in the Alaska Region such as Northstar, Liberty, Alaska's part of the next 5-year program, and assistance provided to Bureau of Land Management on National Petroleum Reserve-Alaska. (Pages 84-88)

**Chris Oynes** (MMS) provided an update on important Gulf of Mexico issues and projects. This included the current price situation and how it affected the economic activity in the Gulf of Mexico; an update on royalty relief for deep water; the State of Alabama's concerns on Lease Sale 181; updated assessment on resources; and the Canyon Express Pipeline Project. (Pages 88-90)

**J. Lisle Reed** (MMS) informed the Committee that the Pacific Region had passed the billion barrels of production mark. This production had been over a 30-year period. He

provided an update on the 36 undeveloped tracts and the California Offshore Oil and Gas Energy Resources Study. He discussed current problems with the Federal court ruling (in favor of the State of California) on suspensions. (Pages 90-91)

A general discussion on all the updates followed. (Pages 91-95)

### **OCS SCIENTIFIC COMMITTEE UPDATE**

**Will Schroeder** (OCS Scientific Committee) stated that the OCS Scientific Committee had not met since the last Policy Committee meeting due to the change in schedule from two meetings a year to an annual meeting. This meeting would normally take place in the March/April timeframe. He reported on the work of the Alaskan or Arctic Nearshore Impact Modeling in Development Area Subcommittee. He reported that the Sand and Gravel Subcommittee had not officially met. (Pages 95-96)

### **NEW TECHNOLOGY ADVANCES TO IMPROVE PROTECTION OF THE ENVIRONMENT**

**Nancy Johnson** (DOE) reported that there had been a tremendous history of technological innovations over the last three decades. She discussed aspects of the Environmental Benefits Document and that the efficiencies in production gains were giving us environmental benefits. (Pages 97-100)

**Aston Hinds** (Halliburton) reported on the role of innovations and minimizing the environmental effects of offshore oil and gas. He stated that industry and policy makers had to ensure that the public at large and non-government organizations understood that there was a process by which oil was found, produced, processed, transported, and distributed. During this process there would be environmental impacts. He discussed some of the efforts that had been undertaken to lessen those impacts. (Pages 100-103)

A general discussion of these presentations followed. (Pages 103-104)

**Paul Martin** (MMS) presented the objectives of MMS's Technology Assessment and Research Program. He addressed the program's areas of focus: operation, safety and engineering research; and oil spill response research. He then discussed the four program objectives: to provide direct technical support for regulators in the field, to assure the offshore regulations addressed new technologies employed by industry, to serve as catalyst for industry research, and to support the international cooperation on operational safety and oil spill research. (Pages 104-107)

**Chairman Don Oltz** (Alabama) announced that he would not be present for the afternoon session and indicated that Vice Chairman George Banino would serve as chairperson for the remainder of the meeting. (Page 107)

**Vice Chairman George Banino** (Marine Mining Industry) opened the afternoon session by reminding the members that the best way to ensure they had input into the program

was to complete the questionnaire. The Agenda Development Committee found this information very useful in planning the next meeting. (Pages 107-108)

### **OCEAN AND COASTAL POLICY INITIATIVES**

**Ken Turgeon** (MMS) presented updates on three of the seven ocean and coastal policy initiatives. These initiatives were the PEW Commission; the marine protected areas, and the Heinz Center. (Pages 108-110)

**Carol Hartgen** (MMS) presented updates on three additional ocean and coastal policy initiatives. These initiatives were the Law of the Sea Treaty, the United Nations General Assembly Resolution on Oceans, and the World Summit on Sustainable Development. (Pages 110-111)

**Paul Kelly** (Offshore Support Industry) reported on the last of the seven initiatives, the President's Commission on Ocean Policy. He said that the Commission had 18 months to complete its report on ocean research and leadership. (Pages 111-113)

A general discussion followed. (Page 114)

### **COMMITTEE ROUNDTABLE**

**Vice Chairman Banino** (Marine Mining Industry) set the tone for Committee business. Open discussion began on ways to utilize the Committee in the future; the Committee's use of subcommittees, and the proposed resolution.

The members questioned whether the composition should change given the fact that several states would be under moratorium during the next 5-year program. It was agreed that dialogue should continue with all states to engage in educational efforts in hopes of moving the program forward and at the minimum provide information on oil and gas technology and environmental issues.

The Committee currently had one standing subcommittee, the Hard Minerals Subcommittee. Several members stated that even though their state was under moratoria for oil and gas, it was involved with the hard minerals program. The Natural Gas Subcommittee presented its report at the May meeting, the full Committee forwarded it along with 12 recommendations to the Secretary of the Interior. At this meeting the full Committee discussed the Secretary's response. Vice Chairman Banino asked the Committee to determine if there was a need for the Subcommittee to continue. It was determined that the Committee needed to establish a subcommittee on education and outreach based on recommendation 6 from the Natural Gas report, the Secretary's response to it, and the round table discussion on moratoria and how to utilize the Committee.

**Mayor Ahmaogak** (Local Government) addressed the changes to his proposed resolution on impact assistance for local communities. He asked the Committee for its

support. The Committee could not take official action on the resolution because it lost its quorum. The floor was opened for discussion. (Pages 115-128)

**Kallaur** (MMS) thanked the members for their participation and assistance in managing the program. (Page 128)

**Vice Chairman Banino** (Marine Mining Industry) adjourned the meeting.

A list of acronyms/abbreviations that were referenced in the transcripts for November 1, 2001, can be found in Appendix VI.